

Statement by Press Secretary Fitzwater on the President's Meeting With Prime Minister Jan Olszewski of Poland

April 13, 1992

The President met for approximately 45 minutes this afternoon with Prime Minister Jan Olszewski of Poland, who is in the United States on a private visit. The President reaffirmed his strong support for the pioneering transformation to democracy and a free market economy in Poland, whose success is all the more important in light of the revolutionary changes farther East.

The two leaders discussed economic and political developments in Poland as well as the larger European security situation. Prime Minister Olszewski outlined his government's economic policies and its commitment to working with the IMF on an agreed reform program. He thanked the President for U.S. support and discussed ways the U.S. could be helpful during the

present difficult economic situation in Poland, particularly through encouraging greater trade and investment.

In that context, the Prime Minister welcomed the President's offer, made in a recent letter to President Walesa, to send a mission of U.S. business leaders to Poland with the aim of facilitating some of the many U.S. private investment projects now under negotiation. The President has asked former Deputy Secretary of State John Whitehead to lead the mission and to select a long-term U.S. adviser who would remain in Warsaw to follow up on the mission's recommendations and assist U.S. enterprises in their efforts to find joint venture partners and other investment opportunities.

Remarks to Giddings & Lewis Employees and Local Chambers of Commerce in Fraser, Michigan

April 14, 1992

Thank you very much. And Governor Engler, thank you; I'm proud to be introduced by our great Governor here. I want to salute our Secretary of Labor, Lynn Martin. You met her when she came in. She is doing a lot, an awful lot in terms of job retraining, in terms of hope and opportunity for America's workers. I want to thank the CEO of Giddings & Lewis, Bill Fife here, who greeted us and has given us a short tour. Thanks to some of the workers here in this wonderful plant and then to Barbara Hollett and Linda Walling and Geary Maiuri and James Williams, Warren and to all the others from the six chambers of commerce. May I thank you for being here. I just want you to know I'm delighted to be with you today.

I'm sorry that Barbara Bush is not here. She's out in the State of Oregon today. But I take great pride in the fact that she's doing her part. I see these kids here trying to

hit a blow for literacy in this country. And she asked me to extend her very best wishes.

Now, I want to talk to you today about the things that we really must do together, Government and business, public servants, private citizens, to leave our children a legacy worthy of this great country of ours. You see, I am not one who is so pessimistic about America. We are the leaders of the world, the undisputed leaders of the world, and now we've got great things to do here at home. I think that we've got to agree on what that legacy is going to be. Clearly, we want a world at peace. People say to the American people, "Well, how are things going?" And I take great pride in the fact that, see these little kids here, they won't go to sleep at night worrying about nuclear warfare the way the generations preceding had done. We want a world at peace. We

want strong, wholesome families, and we want an economy that provides rewarding jobs for all.

More than any country on Earth, America has afforded each generation the opportunity to leave such a legacy. Today, we have that opportunity once again. The world is changing at a pace undreamed of a generation ago. And now America, which has led the world's transformation, must change as well. This afternoon I want to discuss five areas which I believe are overdue for reform, five key ways in which America must change if we are to honor coming generations with the legacy that they deserve.

As business men and women and as Giddings & Lewis employees, you understand the urgency. For each of these five problems presents itself to you not as some abstraction but in the most immediate way, as a cost, a cost of doing business. Too often these costs are beyond your control, drawing resources away from your primary goals of expanding your companies and creating good jobs for your communities.

When our legal system, and the Governor touched on this, becomes incapable of resolving disputes in a civil and timely manner, business loses the incentive to innovate, loses the incentive to take risks. And when health care costs escalate, business picks up much of the tab. And when Government imposes barriers to trade, business pays the cost in lost markets. And then when our kids, our children, leave school without rudimentary skills, business bears in the lost productivity. And when Government freezes in gridlock, business can no longer plan rationally for the future.

So, let me start with Washington, and again, the Governor referred to that: If America is going to change, the Government must change. Ten days ago I presented seven specific proposals to cure the paralysis that grips the United States Congress. My proposals range from an elimination of these special-interest political action committees, these PAC's, elimination, not reduction but elimination; extends to a line-item veto, which will allow us at last to get a handle on this deficit that is mortgaging the future of these children here today. And I think it's high time that we limited the number of terms that Members

of Congress may serve.

My aim is simple: We must create a flexible Government, responsive to the common good. And I have tried, I have tried over the past 3 years to invest my administration with this sort of flexibility. Now, let me give you a few examples of special concern right here to Macomb County.

A reformed Government knows its limits, refusing to impose undue burdens on business and consumers alike. For that reason, I've made it clear to Congress: This is no time to legislate an increase in the CAFE standards that would cost Americans jobs in the automotive industry. And I will not accept such legislation.

A reformed Government encourages innovation. Last October, by way of example, my administration joined with the Big Three, the automobile companies, to develop a new generation of batteries. And our goal: To make American car companies first in the world in producing competitive, electric cars by the year 2000.

A reformed Government finds flexible means to reach its goals. Our approach to the 1990 Clean Air Act, which requires deep reductions in air pollution, is a good example. To help communities and industries meet the objectives of that act, we've initiated a "cash for clunkers" program, allowing States and companies to buy the high-polluting old cars, get them off the road, and use the reduction in pollution to satisfy our clean air standards.

Flexibility, accountability, a willingness to innovate, Americans have a right to expect each of these from their Government and particularly from the United States Congress. Yet instead we get business-as-usual. I'll give you another example, dealing with a second area urgently in need of reform, the Nation's legal system. Our country—and this isn't true just of business, this is true of neighborhoods, true of towns and city government—our country is swamped in frivolous lawsuits. We tried to make a good start at reform in 1990 when I introduced a bill to reform product liability laws. Congress wouldn't budge. So we reintroduced the reform again in 1991. And the Senate Democrats refuse even to bring that bill to

a vote. In the House it's stuck in two, that's right, two separate committees.

This inaction is inexcusable. America, regrettably, has become the most litigious society on Earth, and American companies pay the price, not only in dollars wasted but in lower productivity and a business environment hostile even to ordinary competitive practices. According to a recent survey, 40 percent of companies that had been the target of product liability suits have discontinued certain types of product research.

None of our competitors is afflicted with this lawsuit madness. We must remove this ball and chain from our ability to compete worldwide. And our Competitiveness Council, led by the Vice President, has offered 50 recommendations for legal reform, including reasonable limits to the discovery process, alternative means of resolving disputes, and a "loser pay" rule that would discourage the frivolous lawsuits. I urge you to urge the Congress to help stop this lawsuit madness.

We must help each other more and sue each other less. I'll give you an example. A lot of the people here in this plant, I'm sure, have kids in Little League. Some of you may coach Little League, like I did a thousand years ago. And some people are refusing to coach Little League because they're afraid of some frivolous lawsuit; doctors, afraid of delivering babies because of a frivolous lawsuit. We really have to change this litigious society into a more gentle and a more friendly society.

Our comprehensive legal reform will be far-reaching, extending then into a third area critically in need of change, our Nation's health system. Everybody here, I'm sure, is concerned about the health care system. The litigation explosion has hit Michigan's health care hard. Every year your physicians and hospitals pay almost \$500 million for medical liability coverage, \$500 million. For the patient, that translates into an extra \$300 added on to the average hospital bill.

The trends are simply unsustainable. Some estimates say that by 2030, the year 2030, that's only, what, 38 years away, we will spend 30 cents of every dollar of national income on health care. Again, much of the burden falls on business. Right now, American corporations spend more on

health care each year than they earn in after-tax profits. Now, we've got to stop this drain on our productivity.

My proposed health care reform will build on our system's assets, especially in preserving the quality of care. We've still got the world's finest quality health care. We will reform the private insurance market and increase consumer choice. Through transferable tax credits we will bring coverage to those who are uninsured and control costs through market incentives. And we will avoid the pitfalls of what I would see as a nationalized care, with the rationing and the long waiting lines and the mediocre quality that comes with it. Health care reform must hew to this principle: Government has no business dictating what kind of health care you want to choose, dictating what kind of health care you receive.

I target then a fourth area for attention, like the others, absolutely critical for our success in the coming decades. With its global reach, this great company, Giddings & Lewis, exemplifies an indisputable truth about our future: If America is to succeed economically at home, we must succeed economically abroad. And in the postwar period, trade-related jobs have grown three times faster than the overall job creation. Exports have accounted for 70 percent of our economy's growth over the past 3 years. We will build on this success by continuing to open foreign markets to American goods and services, including the world's second largest market economy, Japan. And since I took office, our exports to Japan have grown 10 times faster than our imports from Japan, and our manufactured products are leading this expansion. That boom has already created an additional 200,000 jobs here at home.

And that's why we made this now-famous trip to Japan. I heard some criticism of that trip, but let's get the facts straight about what we accomplished. Of special interest to many of you, for example, was the pledge by private Japanese companies to increase the purchase of U.S.-made auto parts from \$9 billion to \$19 billion by 1994. And we didn't stop there. As a result of our trip, we've opened up Japan's \$4 billion

glass market, its \$9 billion public-sector computer market, and its \$27 billion paper market, offering American business enormous opportunities to sell American goods; and that, of course, means to create American jobs. And if we are to take advantage of the opportunities, we must stay abroad.

We must have a world-class work force. And yet the grim fact is undeniable: Our current education system is unable to produce the workers the highly competitive world market demands. The only solution left to us is radical change. That means we must literally reinvent American education. And on Thursday, I'm going to discuss the progress we've made in the year since we launched our America 2000 education initiative, a revolutionary movement that challenges every community to create what we call break-the-mold schools. We know how to do it. We set world-class standards for students. We redouble our efforts to rid our schools of drugs and violence, to cleanse Americans of this scourge that wastes so many young lives. And we make schools more accountable by forcing them to compete. And that means letting parents choose their children's schools, public, private, or religious. We must have that kind of choice to bring real competition into the classroom.

And we need to take the same bold approach to job training, to provide Americans with the skills that this age of intense international competition demands. And I have developed such an approach, working with the Secretary here, and when Congress returns from recess, we will submit the "Job Training 2000 Act."

Our current job training system is merely—it's kind of a crazy quilt of good intentions. Over the years Congress has put in place scores of training programs, but they are uncoordinated, sometimes redundant, and too often unaccountable. This year, seven different Federal Agencies will administer some 60 training programs at a cost of \$18 billion.

And with this jumble, is it any wonder that an 18-year-old, fresh from high school, doesn't know where to go for career guidance; or that an unemployed older worker, eager to learn a new trade, is confused about how to find training; or that a young parent on welfare, in search of a rewarding

job, can't find advice on which trade school to attend or which career to pursue? Unscrupulous operators, these fly-by-night trade schools prey on this confusion, and they take advantage of the system's lack of accountability. And they recruit the naive or somebody that's so desperate even though they know it's bad, they're willing to take a chance, signing them up for thousands of dollars in grants or loans, offer a few weeks training, and then leave the people burdened with debt.

A truly competitive America can't afford this waste of talent and energy. And it's not fair to the American worker. Job Training 2000 will disentangle that knot of Federal programs and make them serve the people who need them. And here are the key elements of this plan. First, it will create one-stop shopping for vocational training in every community. Second, it will certify programs so that they meet the needs of the local labor markets. And third, it will offer vouchers so aspiring workers can choose the training they want.

Along with Job Training 2000, I'm going to submit to Congress an important new initiative. It's called the "Youth Apprenticeship Act of 1992." Apprenticeship is one of the surest routes into the world of work, and we need to make it more widely available to our young people. And at the same time, we've got to encourage them to complete a sound high school education that prepares them for a lifetime of learning. The act accomplishes both these goals, making it easier for kids in the 11th and 12th grades to combine on-the-job training with their regular studies at school. And when they graduate from school, they will have not only a certificate that attests to their job skills but a diploma that represents a substantial and varied education.

Now, to get that "Apprenticeship Act" up and running, we will be offering demonstration grants to six States, California, Iowa, Maine, Oregon, Wisconsin, and right here in Michigan, as well as a series of local areas. We owe our young people, we owe every American who seeks to climb the ladder of economic advantage the finest job, the finest job training system the world

can produce, and I mean to see that they get it.

Therefore I want to challenge the United States Congress to pass both of these initiatives, Job Training 2000 and the "Youth Apprenticeship Act," this session, before the Congress adjourns for the year. But as you know, I'm the first to admit that I can't always count on Congress to act, no matter how great the urgency. For real education reform I enlisted the help of the Nation's Governors. You may remember this a couple of years ago, we got together at Charlottesville, Virginia. So far 43 Governors have responded by enrolling their States in this program we call America 2000.

And now I ask their help again. I call on the Governors here today, all of the Governors around the country, to initiate Job Training 2000 strategies in their own States; several are already hard at work. And I ask every Governor to bring together labor and business leaders with local officials to consolidate their own job training programs. And wherever possible, my administration will grant waivers to accelerate these efforts. And we will provide incentive grants to help them get started.

Each of the reforms that I've outlined here today—making Government accountable and flexible, restoring sanity to our legal system, ensuring quality health care for all, expanding world trade, and reinventing American education and job training for tomorrow's work force—each shares a single goal, to ensure that America remains the undisputed leader of the world, the freest, most prosperous and competitive Nation on Earth.

And each of these reforms grows from a fundamental, uniquely American principle. Thomas Jefferson said it best: "The pillars of our prosperity are the most thriving when left most free to individual enterprise." And in practice that means Government must trust the wisdom of markets more than the whims of bureaucrats. And the freely made decisions of the people

must take precedence over the engineering schemes of Government. And all our institutions, from Congress to the local trade school, must be accountable to those that they serve.

Over the last decade, America has changed the world. Today, we're blessed with the opportunity to change America. I couldn't help thinking about that sentence, "Over the last decade, America has changed the world," as I was walking along the line here and reading the computer screen in English and then in what the man running the screen told me was Russian. I had to take his word for that. But here was a shipment going off, a machine going off to Russia. We have a tremendous opportunity, and I intend to see that we continue to lead the world. And in so doing, we will be offering enormous job opportunities, expanded job markets for the American worker. We cannot pull back. We cannot withdraw into some sphere of isolation.

And so, as your President, I take great pride in the fact we've helped change the world. And now I can tell you we are going to make these changes at home that will enable us to remain the undisputed, the undisputed, admired leader of this changing world in which we live.

Thank you all very much. And may God bless each and every one of you and your families. And may God bless the United States of America. Thank you very, very much.

Note: The President spoke at 2:50 p.m. at the Giddings & Lewis, Inc., plant. In his remarks, he referred to William Fife, Jr., chairman and chief executive officer, Giddings & Lewis; Barbara Hollett, executive director, Metro East Chamber of Commerce; Linda Walling, director, Sterling Heights Chamber of Commerce; Gary Maiuri, chairman, Central Macomb County Chamber of Commerce; and James Williams, chairman, Warren, Center Line, and Sterling Heights Chamber of Commerce.